

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Product Prices
Priority Mail
Priority Mail Contract 64

Docket No. MC2013-62

Competitive Product Prices
Priority Mail Contract 64 (MC2013-62)
Negotiated Service Agreement

Docket No. CP2013-82

PUBLIC REPRESENTATIVE COMMENTS ON
POSTAL SERVICE NOTICE OF AMENDMENT TO
PRIORITY MAIL CONTRACT 64

(January 5, 2015)

The Public Representative hereby provides comments pursuant to Order No. 2309.¹ In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of Amendment to Priority Mail Contract 64.²

The Postal Service's Notice includes a public (redacted) version of the Amendment to Priority Mail Contract 64 and supporting financial documentation.

Priority Mail Contract 64 was added to the Competitive Product List in Commission Order No. 1848.³

¹ PRC Order No. 2309, Notice and Order Concerning Amendment to a Priority Mail Contract Negotiated Service Agreement, December 29, 2014 (Notice and Order).

² Notice of United States Postal Service of Amendment to Priority Mail Contract 64, with Portions Filed under Seal, December 24, 2014. (Notice)

³ PRC Order No. 1848, October 17, 2013.

COMMENTS

Requirements of 39 U.S.C. § 3633. Pursuant to 39 U.S.C. § 3633(a), the Postal Service's competitive prices must not result in the subsidization of competitive products by market dominant products; ensure that each competitive product will cover its attributable costs; and, ensure that all competitive products collectively contribute an appropriate share of the institutional costs of the Postal Service.

The Public Representative has reviewed the Postal Service's Notice and the financial data filed under seal with the Postal Service's Notice. Based upon that review, it appears that Contract 64, as amended, should continue to generate sufficient revenues to cover costs and thereby satisfy 39 U.S.C. § 3633(a).

Finally, the Postal Service must file revenue and cost data for Contract 64 in future Annual Compliance Reports. This data will permit the Commission to annually review the financial results for Priority Mail Contract 64 in future Annual Compliance Determination (ACD) reports for compliance with 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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